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TAGS: [ENRG](#) [PGOV](#) [ECON](#) [PREL](#) [BO](#) [UP](#) [SW](#) [LG](#)
SUBJECT: LATVIAN LEADERS STEPPING UP TO ADDRESS ENERGY
SECURITY

Classified By: Ambassador Charles W. Larson, Jr. Reason: 1.4 (d)

11. (C) One of the outcomes of the Georgia crisis seems to be a focus among top Latvian leaders to address the country's energy security issues. President Zatlers was clear with the Ambassador that Latvia needed to turn away from gas as the source for electricity production. After expanding an existing gas plant (easiest to do in the short term), Latvia will build a coal-fired plant rather than a gas fired one, the President said, echoing previous comments from PM Godmanis. The President also talked at some length of Latvia's need to make greater use of renewable sources of energy and suggested that he might look for help in ensuring all such opportunities are fully considered.

12. (C) PM Godmanis is also active on this issue, according to MFA state secretary Penke. Godmanis, following on Zatler's visit to Ukraine in June, is looking at buying more electricity from Ukraine rather than Russia. This requires transit through Belarus, which the Latvians have previously told us is difficult and with a high rate of theft from the lines. To find a solution to this question, Godmanis met with Belarusian PM Sidorsky in July and would do so again in the near future, according to Penke. Godmanis will also travel to Sweden September 24 for the primary purpose of engaging his counterpart there on the construction of an electricity cable from Sweden to Latvia (rather than to Lithuania). Godmanis had also sent Economics Minister Gerhards to Denmark to spend several days there looking at potentials for alternative and/or renewable energy sources.

13. (C/NF) Comment: This is all welcome thinking by the Latvians who have too often taken the ostrich approach to energy security, naively believing that political overtures to Moscow and the underground gas storage facilities provided them a measure of security. Godmanis has for some time been focused on this issue but events in Georgia have given him some extra political maneuvering room. He and President Zatlers still face powerful political forces with strong economic ties to the Russian energy sector, though, and overcoming their resistance will take a serious effort.
LARSON